

THIRD DIVISION

[G.R. No. 155179, August 24, 2007]

VICTORINO QUINAGORAN, PETITIONER, VS. COURT OF APPEALS AND THE HEIRS OF JUAN DE LA CRUZ, RESPONDENTS.

D E C I S I O N

AUSTRIA-MARTINEZ, J.:

Before the Court is a Petition for Review on *Certiorari* under Rule 45 of the Rules of Court, assailing the Decision^[1] of the Court Appeals (CA) in CA-GR SP No. 60443 dated May 27, 2002 and its Resolution^[2] dated August 28, 2002, which denied petitioner's Motion for Reconsideration.

The factual antecedents.

The heirs of Juan dela Cruz, represented by Senen dela Cruz (respondents), filed on October 27, 1994 a Complaint for Recovery of Portion of Registered Land with Compensation and Damages against Victorino Quinagoran (petitioner) before the Regional Trial Court (RTC) Branch XI of Tuao, Cagayan, docketed as Civil Case No. 240-T.^[3] They alleged that they are the co-owners of a a parcel of land containing 13,100 sq m located at Centro, Piat, Cagayan, which they inherited from the late Juan dela Cruz;^[4] that in the mid-70s, petitioner started occupying a house on the north-west portion of the property, covering 400 sq m, by tolerance of respondents; that in 1993, they asked petitioner to remove the house as they planned to construct a commercial building on the property; that petitioner refused, claiming ownership over the lot; and that they suffered damages for their failure to use the same.^[5] Respondents prayed for the reconveyance and surrender of the disputed 400 sq m, more or less, and to be paid the amount of P5,000.00 monthly until the property is vacated, attorney's fees in the amount of P20,000.00, costs of suit and other reliefs and remedies just and equitable.^[6]

Petitioner filed a Motion to Dismiss claiming that the RTC has no jurisdiction over the case under Republic Act (R.A.) No. 7691, which expanded the exclusive original jurisdiction of the Municipal Trial Court (MTC) to include all civil actions which involve title to, or possession of, real property, or any interest therein which does not exceed P20,000.00. He argued that since the 346 sq m lot which he owns adjacent to the contested property has an assessed value of P1,730.00, the assessed value of the lot under controversy would not be more than the said amount.^[7]

The RTC denied petitioner's Motion to Dismiss in an Order dated November 11, 1999, thus:

The Court finds the said motion to be without merit. The present action on the basis of the allegation of the complaint partakes of the nature of action publiciana (sic) and jurisdiction over said action lies with the Regional Trial Court, regardless of the value of the property. This is so because in paragraph 8 of the complaint, it is alleged that the plaintiff demanded from the defendant the removal of the house occupied by the defendant and the possession of which is "Only due to Tolerance (sic) of herein plaintiffs".

WHEREFORE, for lack of merit, the motion to dismiss is hereby denied.^[8]

Petitioner's Motion for Reconsideration was also denied by the RTC.^[9]

Petitioner then went to the CA on a Petition for *Certiorari* and Prohibition seeking the annulment of the Orders of the RTC.^[10]

On May 27, 2002, the CA rendered the herein assailed Decision dismissing petitioner's action and affirming *in toto* the RTC.^[11] Pertinent portions of said Decision, read:

At the onset, we find that the complaint filed by the Heirs of Juan dela Cruz, represented by Senen dela Cruz adequately set forth the jurisdictional requirements for a case to be cognizable by the Regional Trial Court. The Complaint is captioned "recovery of portion of registered land" and it contains the following allegations:

7. That since plaintiffs and defendant were neighbors, the latter being the admitted owner of the adjoining lot, the former's occupancy of said house by defendant was only due to the tolerance of herein plaintiffs;
8. That plaintiffs, in the latter period of 1993, then demanded the removal of the subject house for the purpose of constructing a commercial building and which herein defendant refused and in fact now claims ownership of the portion in which said house stands;
9. That repeated demands relative to the removal of the subject house were hence made but which landed on deaf ears;
10. That a survey of the property as owned by herein plaintiffs clearly establishes that the subject house is occupying Four Hundred (400) square meters thereof at the north-west portion thereof, as per the approved survey plan in the records of the Bureau of Lands.

x x x x

It is settled that when the complaint fails to aver facts constitutive of forcible entry or unlawful detainer, as where it does not state how entry was effected or how and when dispossession started, the remedy should

either be an *accion publiciana* or an *accion reivindicatoria* in the proper regional trial court. In the latter instances, jurisdiction pertains to the Regional Trial Court.

As another legal recourse from a simple ejectment case governed by the Revised Rules of Summary Procedure, an *accion publiciana* is the plenary action to recover the right of possession when dispossession has lasted more than one year or when dispossession was effected by means other than those mentioned in Rule 70 of the Rules of Court. Where there is no allegation that there was denial of possession through any of the methods stated in Section 1, Rule 70 of the Rules of Court, or where there is no lease contract between the parties, the proper remedy is the plenary action of recovery of possession. Necessarily, the action falls within the jurisdiction of the Regional Trial Court. Thus, we find that the private respondents [heirs of dela Cruz] availed of the proper remedy when they filed the action before the court a quo.

Undoubtedly, the respondent court therefore did not act with grave abuse of discretion amounting to or in excess of jurisdiction in denying Quinagoran's Motion to Dismiss and the Motion for Reconsideration, thereof, because it has jurisdiction to hear and decide the instant case.

x x x x

It would not be amiss to point out that the nature of the action and jurisdiction of courts are determined by the allegations in the complaint. As correctly held by the Regional Trial Court, "the present action on the basis of the allegation of the complaint partakes of the nature of *accion publiciana* and jurisdiction over said action lies with the Regional Trial Court regardless of the value of the property. Therefore, we completely agree with the court a quo's conclusion that the complaint filed by the Heirs of Juan dela Cruz, represented by Senen dela Cruz, is in the nature of an *accion publiciana* and hence it is the Regional Trial Court which has jurisdiction over the action, regardless of the assessed value of the property subject of present controversy."^[12]

Petitioner's Motion for Reconsideration was denied on August 28, 2002 for lack of merit.^[13]

Petitioner now comes before this Court on a petition for review claiming that under R.A. No. 7691 the jurisdiction of the MTC, Metropolitan Trial Court (MeTC), and Municipal Trial Court in Cities (MTCC) was expanded to include exclusive original jurisdiction over civil actions when the assessed value of the property does not exceed P20,000.00 outside Metro Manila and P50,000.00 within Metro Manila.^[14] He likewise avers that it is an indispensable requirement that the complaint should allege the assessed value of the property involved.^[15] In this case, the complaint does not allege that the assessed value of the land in question is more than P20,000.00. There was also no tax declaration attached to the complaint to show the assessed value of the property. Respondents therefore failed to allege that the RTC has jurisdiction over the instant case.^[16] The tax declaration covering Lot No. 1807 owned by respondents and where the herein disputed property is purportedly

part -- a copy of which petitioner submitted to the CA -- also shows that the value of the property is only P551.00.^[17] Petitioner then prays that the CA Decision and Resolution be annulled and set aside and that the complaint of herein respondents before the trial court be dismissed for lack of jurisdiction.^[18]

Respondents contend that: the petition is without factual and legal bases, and the contested decision of the CA is entirely in accordance with law;^[19] nowhere in the body of their complaint before the RTC does it state that the assessed value of the property is below P20,000.00;^[20] the contention of petitioner in his Motion to Dismiss before the RTC that the assessed value of the disputed lot is below P20,000.00 is based on the assessed value of an adjacent property and no documentary proof was shown to support the said allegation;^[21] the tax declaration which petitioner presented, together with his Supplemental Reply before the CA, and on the basis of which he claims that the disputed property's assessed value is only P551.00, should also not be given credence as the said tax declaration reflects the amount of P56,100.00 for the entire property.^[22]

The question posed in the present petition is not complicated, *i.e.*, does the RTC have jurisdiction over all cases of recovery of possession regardless of the value of the property involved?

The answer is no. The doctrine on which the RTC anchored its denial of petitioner's Motion to Dismiss, as affirmed by the CA -- that all cases of recovery of possession or *accion publiciana* lies with the regional trial courts regardless of the value of the property -- no longer holds true. As things now stand, a distinction must be made between those properties the assessed value of which is below P20,000.00, if outside Metro Manila; and P50,000.00, if within.

Republic Act No. 7691^[23] which amended *Batas Pambansa Blg. 129*^[24] and which was already in effect^[25] when respondents filed their complaint with the RTC on October 27, 1994,^[26] expressly provides:

SEC. 19. *Jurisdiction in civil cases* - **Regional Trial Courts shall exercise exclusive original jurisdiction:**

x x x x

(2) In all civil actions which involve the title to or possession of, real property, or any interest therein, where the assessed value of the property involved exceeds Twenty thousand pesos (P20,000.00) or, for civil actions in Metro Manila, where such value exceeds Fifty thousand pesos (P50,000.00) except for forcible entry into and unlawful detainer of lands or buildings, original jurisdiction over which is conferred upon the Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts.

x x x x

SEC. 33. *Jurisdiction of Metropolitan Trial Courts, Municipal Trial Courts*